

ORIGINAL

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON DC 20268-0001

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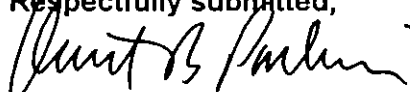
INTERROGATORIES OF DAVID B. POPKIN TO THE UNITED STATES POSTAL SERVICE

David B. Popkin hereby requests the United States Postal Service to answer, fully and completely, the following interrogatories pursuant to Rules 25 and 26 of the Commission's Rules of Practice and Procedure. If the designated witness is unable to respond to my interrogatory, I request a response by some other qualified witness. If necessary to provide the information requested, the question should be directed to the USPS employee who has knowledge of the information desired. Particularly since the Postal Service is encouraging cooperation from the intervenors, I request that similar cooperation in liberally interpreting the requests made by my interrogatories and provide the desired information. To reduce the volume of paper, I have combined related requests into a single numbered interrogatory, however, I am requesting that a specific response be made to each separate question asked. To the extent that a reference is made in the responses to a Library Reference, I would appreciate receiving a copy of the reference since I am located at a distance from Washington, DC. While some of my interrogatories may contain similar wording to previously asked interrogatories in previous Dockets, I request that a new response be made to them without referral to previous responses [even though it may be the same response] since there are new witnesses and it has been a number of years.

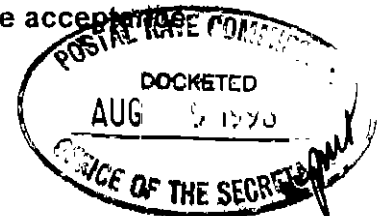
In the event that the Postal Service does not respond to all of my interrogatories within the required time, I request a waiver of the filing time in which to file follow-up interrogatories so that I may file them all at the same time as calculated on the last responses provided. In the event that these interrogatories are not received in time, I move for late acceptance.

August 6, 1996

Respectfully submitted,



DAVID B. POPKIN, POST OFFICE BOX 528, ENGLEWOOD, NJ 07631-0528



DBP/USPS/T1-1 On Page 14 of your testimony, you indicate that certified mail and return receipts represent premium services. With respect to return receipts, confirm that they are used to provide evidence of delivery, namely, who received the mail and when it was delivered. Confirm that return receipts eliminate the need for the sender to seek independent acknowledgment of delivery. Is there still a requirement for the delivering employee to obtain on the Form 3811 either the signature or the authorized signature stamp of the individual or organization receiving the article? Is it required that the employee of the USPS who is delivering the article to the addressee or their representative obtain the signature or authorized signature stamp at the time of delivery and take possession of the Form 3811, check it for accuracy, and mail it back to the sender the same day? If not, what are the requirements? Provide me with copies of all internal or external regulations, directives, memoranda, etc. which describe the action to be taken with respect to the completion of the return receipt form. Are there any exceptions to this policy? If so, provide a listing. Do these requirements apply to mail which is sent to federal government agencies in the Washington DC area? If not, provide the authority for the exception. Is there a written or unwritten policy or practice which permits or allows the accountable mail to be delivered to any addressee [including but not limited to federal agencies outside of the Washington DC area, state government agencies, local government agencies, organizations that have a unique ZIP Code, large organizations, organizations that receive a large number of pieces of accountable mail] with the Form 3811 attached and leaves it up to the agency or addressee to complete the return receipt by themselves and deposit it in mail at a later time? If so, provide details and copies of the regulation, directive, memoranda, etc. which authorizes this. Does the USPS have any agency agreements with respect to the delivery of accountable mail. If so, provide details and copies of the agreements. Confirm that the return receipt costs to the Postal Service would be less for mail delivered in this manner. If not, why not?

DBP/USPS-T1-2 In the event that there are one or more addressees whose delivery of accountable mail is made without having the delivery USPS employee obtain the signature on the Form 3811 at the time of delivery, how can this return receipt provide evidence of delivery since the addressee is completing the return receipt and returning it without checking by the USPS? How is this service any different than that which would exist if the sender included a post/postal/stamped card with the article and had the addressee provide the same service as being presently done? Confirm that the cost of this post/postal/stamped card would be either 20 or 22 cents. What is the justification for this type of processing of the return receipt being

charged the full \$1.50 rate as opposed to the 20/22 cent rate for the post/postal/stamped card [which is the only service being provided by the USPS]? Is the mailer allowed to apply for a refund of \$1.28/1.30 in these instances. If not, why not? If in fact, it is the addressee that is completing and returning the return receipt to the mailer, how can this be considered an independent acknowledgment?

DBP/USPS-T1-3 Does the return receipt service also provide for notification to the sender of the date of delivery? Provide copies of any directives etc. which require this. Is it a requirement that the date of delivery shown on the return receipt represent the actual date of delivery? What procedures does the Postal Service utilize to ensure that the actual date of delivery is shown? If there is such a procedure, how can it be accomplished if the accountable mail is delivered to the addressee with the return receipt still attached? What evidence of delivery is provided if the date shown is missing or incorrect or written over?

DBP/USPS-T1-4 Are there instances where the date of actual delivery is important to the mailer and represents the major reason why the return receipt service was utilized? If so, provide examples. If this were the case and the date shown on the receipt was incorrect, would this mailer have received the premium service that was paid for?

DBP/USPS-T1-5 Are there instances where the mailer utilizes the return receipt service to learn within a specific period of time the fact that the article was actually delivered? If so, provide examples. If this were the case and the addressee did not complete and return the return receipt within a week or two, would this mailer have received the premium service that was paid for?

DBP/USPS-T1-6 Why did the Postal Service eliminate the use of the red validating postmark on all return receipts? Wouldn't the use of this postmark add to the high value of this service that the mailer receives in utilizing the return receipt service? If not, why not? Would it be more likely to indicate the actual date of delivery as opposed to a handwritten date? If not, why not? Would it add to the value of evidence as proof of delivery by providing a validation that was only available to a postal employee? If not, why not? What are the reasons why the Postal Service does not want to return to the use of this validating stamp? Is it required that return receipts be postmarked on the address side when they are entered into the mail stream? If not, why not?

DBP/USPS-T1-7 With respect to the tagging that is now used on the certified mail label, have any tests been conducted to determine the effectiveness of trapping this mail to ensure that it is handled as accountable mail? If so, provide details. If not, why not? Explain why it was necessary to implement this tagging procedure. What percentage of the automated equipment that is used for mail distribution contains the necessary device to respond to this tagging? If not 100%, when will it be so and provide implementation schedule? Does the tagging provide for trapping letter size, flat size, and SPR mail? Provide details as requested for each of the categories. Provide copies of any regulations, directives, memoranda, etc. which relates to providing effective trapping of accountable mail at the time of delivery.

DBP/USPS-T1-8 Since it is proposed to provide the address where delivered for all return receipts [when the address shown is different], how will this service be provided when the article is delivered to the addressee with the return receipt attached? Would mailers receive a greater level of service if the Form 3811 had a place to indicate that the delivery address was the same as shown? If not, why not? Are there plans to add this to the form? If not, why not? Wouldn't that add to the value since if the present form is received back now without a new address being shown, it would either mean that there was no new address or that an error was made in not showing the new address?

DBP/USPS-T1-9 With respect to the delivery of accountable mail to government agencies and/or commercial organizations when the volume of mail is high, confirm that the Postal Service has received payment for each of the return receipts that may be associated with each piece of accountable mail. Also confirm that these large agencies and organizations are eligible to utilize a rubber stamp for "signing" the return receipt. Provide copies of the regulation which lists the conditions and requirements under which this may be done. Also confirm that the average time that it takes for a single return receipt to be signed for when there are a large number to be completed is less than the time that would be required when there is only a single article. Also confirm that if the average time is less then the average cost would be less. Explain any nonconfirming responses.

DBP/USPS-T1-10 Section S915-1.6 of the DMM indicates that return receipt fees are refunded only if the USPS fails to furnish a return receipt. Advise which of the following would be a valid reason for obtaining a refund of the return receipt fee: [1] the article was returned

to the sender regardless of the reason [2] the return receipt was received back unsigned [3] the return receipt was received back undated [4] the return receipt was received back without a new address when one was required [5] the return receipt was received back with an incorrect delivery date [6] the return receipt was not received [7] a duplicate return receipt indicated that there was no record of delivery of the article.

DBP/USPS-T1-11 Advise any actions that have been taken by the Postal Service since January 4, 1991 to improve the quality of the return receipt service. Has the Postal Service conducted any studies to determine the quality of the return receipt service and/or the extent to which it complies with the DMM and other requirements? If not, why not? Provide copies of any directives, memoranda, regulations, surveys, etc. related to the quality of the return receipt service.

DBP/USPS-T1-12 On page 17 of your testimony you indicate that there are three certified mail transactions per US household. Is this meant to show that certified mail is utilized equally by all households. If not, please explain the significance of your statement.

DBP/USPS-T3-1 On page 3 of your testimony you indicate that the post office box service in the Villa Rica Post Office is fairly typical. How many other offices have you evaluated the box service for? Please provide a listing of these offices and the similarities and differences between them and Villa Rica. Provide details on how you became familiar with the operations in Middleburg VA, San Luis AZ, and Blaine WA. Have you ever visited these offices? If so, when did you visit, what was the purpose of the visit, and what did you discuss or learn during the visit? Prior to this rate case, have you ever communicated with the Postmaster in these three offices? Why were these offices chosen as being atypical offices? How many typical offices are there in the United States and how many atypical offices are there? What are the criteria that make an office typical? What are the criteria that make an office atypical?

DBP/USPS-T3-2 You indicate that the existence of Fairfield Plantation, a resort community, increases the number of hold mail orders and temporary forwarding requests. What studies have you done to indicate that the number of orders and requests is an increased amount? What are you comparing it to? Why did you choose that to compare it to? Provide details of any studies.

DBP/USPS-T3-3 On page 2 of your testimony you indicate that your box section is open 24 hours daily for mail pick-up. Is this typical of offices throughout the country? Is there an employee on duty all 168 hours in the week? If not, how do you provide security during the hours that there is no employee on duty in the building? Provide copies of any directives, regulations, and guidelines [issued by headquarters, area, or district] that exist with respect to the hours that the box section in a post office should be open for the pick-up of mail. As a minimum, should the box section be open whenever an employee is on duty in the building? Under what conditions may or should the box section be open when there is no employee on duty? In those offices which are not open 24 hours a day, has any consideration been given to providing box holders with a "key" access to the building such as it done in many CMRA? If not, why not? Have any other items been considered to allow for greater access to the box section by box holders? If so, provide details.

DBP/USPS-T3-4 You indicate that a large number of the box holders are individuals who own property in the Blaine area. Are these individuals entitled to receive mail delivery while they are in the Blaine area? If not, why not? Are they eligible to receive mail either through General Delivery or via one of the seven rural routes [assuming they were on the route]? If not, why not? Are there any other means to provide the delivery service? If so, specify. Would each of these methods result in a greater cost to provide the delivery [compared to the post office box delivery] as well as reduce the income from the box rent? If not, why not?

DBP/USPS-T3-5 You indicate that a recent case in Blaine resulted in a non-resident customer failing to pick up mail for over three weeks and four containers were accumulated in that period. Is this an isolated case or were there other cases? If so, provide details. Why is this unique to a non-resident? Is it possible for a resident to take a three week vacation and not pick up the mail while they were away? Have you done a study [or is your testimony strictly anecdotal] which indicates that for all of the offices in the country, or even for any specific office or offices, which provides data on the frequency which is utilized by residents to pick up their mail vs. the frequency which is utilized by non-residents to pick up their mail? Has a similar study been conducted with respect to the number of times that the mail volume exceeds the volume of the box due to the failure to pick up the mail on a daily basis? If not, why not; if so, provide copies and details of the study.

DBP/USPS-T3-6 You indicate that when non-residents do pick up their mail, they often open it in the lobby and, after review, summarily discard envelopes and packaging materials resulting in lobby clutter and additional custodial requirements. Have you done a study [or is your testimony strictly anecdotal] which indicates that for all of the offices in the country, or even for any specific office or offices, which provides data on the frequency and volume that residents vs. non-residents will open their mail in the lobby and, after review, summarily discard envelopes and packaging materials. If not, why not; if so, provide copies and details of the study.

DBP/USPS-T3-7 You indicate that all communications with non-residents are, of necessity, by long distance. By long distance, do you mean that a telephone call to them would result in a long distance charge by the telephone company? If not, what do you mean? Are there instances where a telephone call to a resident could result in a long distance charge? Is it possible that there are many non-residents that would still be a local call due to an exchange area covering a number of ZIP Code areas or due to the availability of local calls to a number of other nearby exchange areas? Have you done a study [or is your testimony strictly anecdotal] which indicates that for all of the offices in the country, or even for any specific office or offices, which provides data on the number of non-residents who have a long distance telephone number vs. a local telephone number and the times that were required to telephone each of the categories? If not, why not; if so, provide copies and details of the study.

DBP/USPS-T3-8 You indicate that written communications left in the box are ineffective due to the sporadic nature of mail pick-up. The question of resident vs. non-resident was covered in interrogatory DBP/USPS-T3-5 above. Is leaving written correspondence the only written way to correspond with the box holders? If not, how else can it be done? Can written correspondence be sent to the non-resident's non-residence address? If not, why not?

DBP/USPS-T3-9 You indicate that the use of the box is difficult to control since many box holders routinely allow other parties to use their boxes for mail order purchases. Explain what you mean by this statement. Have you done a study [or is your testimony strictly anecdotal] which indicates that for all of the offices in the country, or even for any specific office or offices, which provides data with respect to this claimed problem with respect to residents vs. non-residents? If not, why not; if so, provide copies and details of the study.

DBP/USPS-T3-10 You indicate that infrequent use of the box results in higher than normal incidence of lost or forgotten box keys. Have you done a study [or is your testimony strictly anecdotal] which indicates that for all of the offices in the country, or even for any specific office or offices, which provides data with respect to this claimed problem with respect to residents vs. non-residents? If not, why not; if so, provide copies and details of the study.

DBP/USPS-T3-11 You indicate that forwarding of mail when boxes are closed is frustrated by inadequate communication with box holders. List all of the conditions under which a box may be closed and the action to be taken by the post office with respect to the mail that is contained in the box at the time of closing as well as mail that arrives after the closing. For each of these conditions, advise how inadequate communications increased the problem. Have you done a study [or is your testimony strictly anecdotal] which indicates that for all of the offices in the country, or even for any specific office or offices, which provides data with respect to this claimed problem with respect to residents vs. non-residents? If not, why not; if so, provide copies and details of the study.

DBP/USPS-T3-12 You indicated that non-residents are often late in paying box fees. Have you done a study [or is your testimony strictly anecdotal] which indicates that for all of the offices in the country, or even for any specific office or offices, which provides data with respect to this claimed problem with respect to residents vs. non-residents? If not, why not; if so, provide copies and details of the study.

DBP/USPS-T3-13 Confirm that the Villa Rica post office has sufficient post office boxes at the present time to meet the needs of both the residents and non-residents who have requested this service. Confirm that by adding 226 new boxes by November that this need will still be met and will likely be met for even a greater time.

DBP/USPS-T3-14 Confirm that all of the residents who reside within the Middleburg VA corporate limits have only the General Delivery or post office box service to obtain their mail. Confirm that residents living outside the corporate limits have the same methods for mail delivery as well as rural delivery if on one of the two routes. If not, advise other means that are available. Would each of these methods result in a greater cost to provide the delivery [compared to the post office box delivery] as well as reduce the income from the box rent? If

not, why not? Confirm that non-residents have the same options for delivery. Would Middleburg have less box holders along with less than the 15 to 20 prospective box holders if it had city delivery? If not, why not?

DBP/USPS-T3-15 You indicate that the San Luis post office receives many Freedom of Information Act requests. What proportion of these requests would be from box holders who would be eligible for resident box fees vs. non-resident box fees? Have you done a study [or is your testimony strictly anecdotal] which indicates that for all of the offices in the country, or even for any specific office or offices, which provides data with respect to this claimed problem with respect to residents vs. non-residents? If not, why not; if so, provide copies and details of the study.

DBP/USPS-T3-16 You indicate that the San Luis post office has many customers who are unable to fill out the necessary forms without assistance. What proportion of this assistance is provided to box holders who would be eligible for resident box fees vs. non-resident box fees? Have you done a study [or is your testimony strictly anecdotal] which indicates that for all of the offices in the country, or even for any specific office or offices, which provides data with respect to this claimed problem with respect to residents vs. non-residents? If not, why not; if so, provide copies and details of the study.

DBP/USPS-T3-17 With respect to any surveys referred to in the preceding interrogatories which you have made and which are not made for all offices in the country, explain why you feel the number of offices that you surveyed is representative of the entire country.

DBP/USPS-T7-1 With respect to the determination of whether I would be subject to the non-resident post office box fee, advise whether each of the following would require it: [a] I live in a large city such as New York City and the building that I live in has its own unique 5-digit ZIP Code and therefore would not match any box section available [b] also in a large city where there is no box section utilized in the postal facility corresponding to my ZIP Code [c] a firm has its own unique 5-digit or even 3-digit ZIP Code and therefore will not match any post office box section [d] I want to obtain a personal box at the post office that corresponds to my business location [e] if the box section has a different ZIP Code than the delivery area [for example, Paramus NJ 07652 delivery vs. 07653 box section] [f] if I reside or establish a

business at a temporary location. [g] if I reside within the corporate limits of a municipality which is served by delivery from another office [h] if I reside in an area within the corporate limits of a municipality having a postal facility and I am not eligible to obtain city or rural delivery [i] same as h except there is no postal facility.

DBP/USPS-T7-2 Is an individual who lives in a house which is eligible to receive city or rural delivery by a carrier operating out of a given post office eligible to obtain box service without paying the non-resident fee at any other postal facility other than the given post office? If so, explain. If carriers operate out of several postal facilities all having the same 5-digit ZIP Code, may the resident fee be paid at any of these facilities regardless of the one from which the specific carrier operates? Witness Landwehr refers to the San Luis AZ post office which has no city or rural delivery service. He also states that a large proportion of box holders do not reside in the San Luis service area. What is the service area for a post office that does not have any delivery service such as San Luis?

DBP/USPS-T7-3 Explain the rationale behind the non-resident post office box fee with respect to not being considered discriminatory? Have there been any plans or discussions to establish other fees or surcharges with respect to other classes of users to obtain the same service such as has been done with the non-resident post office box fee [this could include - but not limited to - charging extra for non-residents to purchase stamps at the post office, charging a surcharge for small mailers to mail single letters vs. large mailers sending the same single letter, charging extra for earlier delivery of mail on a given carrier route]? If so, provide complete details and status.

DBP/USPS-T8-1 With respect to registered mail, where in the postal regulations does it require a mailer to declare the full value of the article? What method does the Postal Service have to check or ascertain the actual value of an article being mailed? What penalty does a mailer who does not declare the full value of the article potentially suffer if an article is mailed as registered mail without insurance?

DBP/USPS-T8-2 Your testimony on page 25 appears to indicate that the delivery time for registered mail is slower than for non-registered mail. Please explain and clarify. Can Priority

Mail be sent registered? What are the delivery standards for First-Class Mail and Priority Mail that is registered?

DBP/USPS-T8-3 Confirm that the proposed fee for a \$5000 insured parcel is \$45.70 and for a \$5000 registered letter is \$7.65 or \$38.05 less. Confirm that insurance may be obtained on standard mail [B], First-Class Mail, and Priority Mail and that registration may be obtained on First-Class Mail and Priority Mail. Other than 69 and 70-pound standard mail parcels being sent to the 5th zone intra-BMC, are there any instances where a \$5000 insured package would be cheaper than a registered package. What percentage of all insured packages fall into this particular weight, distance, and intra-BMC category? Confirm that registered mail [being Priority Mail or First-Class Mail] would receive better delivery service than an insured package being sent standard mail. Confirm that the security provided to a registered article will be greater than an insured article. Clarify any nonconfirming responses. Why would any mailer want to use the higher insurance rates [as opposed to registering the mail]?

DBP/USPS-T8-4 Can Express Mail be registered? If not, has this been considered? Why is the mailer of a high value article for which expedited delivery is desired required to pay a "double-whammy" to achieve this - Express Mail over Priority Mail and insurance fee over registry fee?

DBP/USPS-T8-5 You indicate that the use of \$100 increments for insurance are simple to understand. Wouldn't \$1000 increments at the higher values, such as are utilized in the registry rates, be equally simple? Were any other increments other than \$100 considered? If not, why not; if so, why weren't they adopted?

DBP/USPS-T8-6 On page 56 of your testimony, you indicate that \$500 would more than cover the average claim for Express Mail document reconstruction. What was the maximum valid claim made in FY 1995? Was any consideration given to other maximum limits as well as the ability to purchase higher values? If not, why not; if so, why weren't they adopted?

DBP/USPS-T8-7 On page 73 you indicate that the \$1.50 certified mail fee coupled with the \$1.50 return receipt fee would be simple and easy to remember. Would it be even easier to remember if the certified mail and return receipt fees were each 34 cents making a one ounce certified mail - return receipt letter cost an even \$1.00? If not, why not?

DBP/USPS-T8-8 On page 87 of your testimony, you indicate the rationale for limiting the return receipt for merchandise to Priority Mail and Standard Mail. Confirm that the effect of this would be to prohibit its use for articles weighing 11 ounces or less for which the expedited handling of First-Class Mail is desired for the merchandise without paying the extra cost for Priority Mail. Confirm that for articles weighing 11 ounces or less, the mailer must determine whether to deliberately slow up the mail by sending it Standard Mail [even though the cost would be the same as First-Class Mail] or pay the extra postage to send it Priority Mail. Explain any nonconfirming response.

DBP/USPS-T8-9 With respect to the proposal to charge a 2-cent fee [in addition to postage] for stamped cards, will this apply to all stamped cards? Does the definition of stamped cards include any card which is prepared and sold by the Postal Service which has a stamp imprinted on it and which is valid for mailing? If not, provide any exceptions.

DBP/USPS-T8-10 With respect to the current postal card, what is the average cost for handling and delivering this card? What is the average cost for handling and delivering a post card? If there is a difference in the costs between a post card and a postal [stamped] card, explain the difference.

DBP/USPS-T8-11 With respect to the elimination of Special Delivery service, confirm that in all respects Express Mail will receive equal or better delivery service than Special Delivery will. Specify any instances, conditions, days of the week or holidays, types of offices, type of delivery or location of the addressee, etc., if any, where Special Delivery mail would receive better delivery service than an Express Mail article. For both parts of this interrogatory, provide responses assuming [a] both articles arrive at the area mail processing center at the same time, [b] both articles are available for dispatch from the area mail processing center to the delivery office at the same time, and [c] both articles arrive at the delivery office at the same time.

DBP/USPS-T8-12 On page 131 of your testimony, you indicate that First-Class Mail service has been upgraded. Provide full details of this upgrading.

DBP/USPS-T8-13 In the last omnibus rate case the Commission approved specific rates for the purchase of printed stamped envelopes. It is impossible for the public to purchase printed

stamped envelopes at these prices which were approved due to the imposition of postage and handling charges by the only source to obtain these envelopes. Will all of the rates being proposed in this proceeding and which are ultimately approved by the Commission and adopted by the Board of Governors be available to the public without any surcharge or other costs not approved in these proceedings? If no, quantify. Have there been any discussions by the Postal Service to adopt any surcharge or other costs not approved in these proceedings? If so, advise specifics.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.

David B. Popkin


August 6, 1996
